ICON INDUSTRIES LIMITED

FINANCIAL STATEMENTS
(Unaudited)

MARCH 31, 2008

ICON INDUSTRIES LIMITED

(the "Company")

Financial Statements
Three Months Ended March 31, 2008

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, the statements must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

"T. Barry Coughlan"
President and Chief Executive Officer

"T. R. Wilson"
Chief Financial Officer

May 28, 2008

ICON INDUSTRIES LIMITED
BALANCE SHEETS
(Unaudited – Prepared by management)

	As at March 31, 2008	As at December 31, 2007
ASSETS		
Current		
Cash	$ 2,899,320	$ 2,919,127
Receivables	114,619	81,693
	3,013,939	3,000,820
Mineral property investments (Note 3)	1,783,153	1,777,461
Equipment (Note 4)	8,811	9,294
	$ 4,805,903	$ 4,787,575
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	$ 143,566	$ 150,062
Shareholders' equity		
Share capital (Note 5)	15,415,594	15,415,594
Share subscriptions receivable (Note 5)	(35,250)	(115,250)
Contributed surplus (Note 5)	479,879	411,452
Deficit	(11,197,886)	(11,074,283)
	4,662,337	4,637,513
	$ 4,805,903	$ 4,787,575

Nature and continuance of operations (Note 1)
Commitment and contingencies (Notes 3 and 5)

On behalf of the Board:

"T. B. Coughlan" Director "T. R. Wilson" Director

The accompanying notes are an integral part of these financial statements.

ICON INDUSTRIES LIMITED
STATEMENTS OF OPERATIONS AND DEFICIT
(Unaudited – Prepared by Management)
THREE MONTHS ENDED MARCH 31

	2008	2007
EXPENSES		
Accounting and audit	$ 15,500	$ -
Advertising and promotion	2,434	-
Amortization	483	97
Consulting fees	15,740	-
Investor relations	15,475	-
Legal	-	3,048
Management fees	15,000	15,000
Office and miscellaneous	10,374	1,463
Stock-based compensation	68,427	14,122
Transfer agent and regulatory fees	8,341	9,637
Travel and accommodation	1,976	-
	(153,750)	(43,367)
OTHER ITEM		
Interest income	30,147	54
Loss for the period	(123,603)	(43,313)
Deficit, beginning of period	(11,074,283)	(10,389,431)
Deficit, end of period	$(11,197,886)	$(10,432,744)
Basic and diluted loss per share	$ (0.01)	$ (0.01)
Weighted average number of common shares outstanding	19,869,024	10,244,141

The accompanying notes are an integral part of these financial statements.

ICON INDUSTRIES LIMITED
STATEMENTS OF CASH FLOWS
(Unaudited – Prepared by Management)
THREE MONTHS ENDED MARCH 31

	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	$ (123,603)	$ (43,313)
Items not affecting cash:		
Amortization	483	97
Stock-based compensation	68,427	14,122
Changes in non-cash working capital items:		
(Increase) decrease in receivables	(32,926)	2,016
Increase (decrease) in accounts payable and accrued liabilities	30,757	13,777
Net cash used in operating activities	(56,862)	(13,301)
CASH FLOWS FROM INVESTING ACTIVITIES		
Mineral property expenditures	(42,945)	-
Net cash used in investing activities	(42,945)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Advances from a related party	-	18,000
Proceeds from issuance of capital stock	-	35,550
Share subscriptions received	80,000	-
Net cash provided by financing activities	80,000	53,550
Change in cash during the period	(19,807)	40,249
Cash position, beginning of the period	2,919,127	342
Cash position, end of the period	$ 2,899,320	$ 40,591

Supplement disclosure with respect to cash flows (Note 8)

The accompanying notes are an integral part of these financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

The Company is a public company listed on Tier 2 of the TSX Venture Exchange. The Company is in the business of acquiring, exploring and developing mineral resource properties.

These unaudited financial statements have been prepared in accordance with Canadian generally accepted accounting principles with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. Continued operations of the Company are dependent on the Company's ability to receive continued financial support, complete public equity financings, or generate profitable operations in the future.

	March 31, 2008	December 31, 2007
Deficit	$(11,197,886)	$(11,074,283)
Working capital (deficiency)	2,870,373	2,850,758

2. SIGNIFICANT ACCOUNTING POLICIES

Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Actual results could differ from these estimates.

Equipment and amortization

Equipment is recorded at cost and amortization is calculated using the following annual rates and methods:

Office equipment and furniture	20% declining balance
Computer equipment	30% declining balance
Equipment and machinery	20% declining balance

Mineral properties

All costs related to the acquisition, exploration and development of mineral properties are capitalized by property. If economically recoverable ore reserves are developed, capitalized costs of the related property are reclassified as mining assets and amortized using the unit of production method. When a property is abandoned, all related costs are written off to operations. If, after management review, it is determined that the carrying amount of a mineral property is impaired, that property is written down to its estimated net realizable value. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

The amounts shown for mineral properties do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Mineral properties (cont'd…)

The Company becomes eligible from time to time for non-repayable government grants in connection with exploration expenditures on its mineral property. These grants are recorded as a reduction in deferred exploration costs when there is reasonable assurance that i) the Company has complied with all conditions necessary to obtain the grant and ii) the amount of the grant can be determined.

Asset retirement obligations

The Company recognizes the fair value of a liability for an asset retirement obligation in the period in which it is incurred when a reasonable estimate of fair value can be made. The carrying amount of the related long-lived asset is increased by the same amount as the liability.

Changes in the liability for an asset retirement obligation due to the passage of time will be measured by applying an interest method of allocation. The amount will be recognized as an increase in the liability and an accretion expense in the statement of operations. Changes resulting from revisions to the timing or the amount of the original estimate of undiscounted cash flows are recognized as an increase or a decrease in the carrying amount of the liability and the related long-lived asset.

As at March 31, 2008 and December 31, 2007, the Company had no asset retirement obligations.

Flow-through common shares

Canadian tax legislation permits a company to issue flow-through shares whereby the deduction for tax purposes relating to qualified resource expenditures is claimed by the investors rather than the Company. Recording these expenditures for accounting purposes gives rise to taxable temporary differences.

When flow-through expenditures are renounced, a portion of the future income tax assets that were not recognized in previous years, due to the recording of a valuation allowance, are recognized as a recovery of income taxes in the statement of operations.

Stock-based compensation

In connection with incentive stock options granted by the Company to its officers, directors, employees and consultants, an expense is recognized over the vesting period based on the estimated fair value of the options on the date of the grant as determined using the Black-Scholes option pricing model. The expense is charged to stock-based compensation and the offset is credited to contributed surplus. Cash received on exercise of incentive stock options is credited to capital stock.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Income taxes

Future income taxes are recorded using the asset and liability method. Under the asset and liability method, future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the year that substantive enactment or enactment occurs. To the extent that the Company does not consider it more likely than not that a future tax asset will be recovered, it provides a valuation allowance against the excess.

Loss per common share

The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on loss per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period.

Basic loss per share is calculated using the weighted average number of common shares outstanding during the period.

Financial instruments

All financial instruments are classified into one of five categories: held-for-trading, held-to-maturity investments, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments and derivatives are measured in the balance sheet either at fair value except for loans and receivables, held-to maturity investments and other financial liabilities which are measured at amortized cost. Subsequent measurement and changes in fair value will depend on their initial classification. Held-for-trading financial assets are measured at fair value and changes in fair value are recognized in net income. Available-for-sale financial instruments are measured at fair value with changes in fair value recorded in other comprehensive income until the instrument is derecognized or impaired.

The Company has classified its cash as held-for-trading, and receivables as loans and receivables. Accounts payable and accrued liabilities are classified as other liabilities, which are measured at amortized cost.

New accounting pronouncements

Assessing Going Concern

The Accounting Standards Board ("AcSB") amended CICA Handbook Section 1400, to include requirements for management to assess and disclose an entity's ability to continue as a going concern. This section applies to interim and annual financial statements relating to fiscal years beginning on or after January 1, 2008.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

New accounting pronouncements (cont'd…)

Financial Instruments

The AcSB issued CICA Handbook Section 3862, *Financial Instruments – Disclosures*, which requires entities to provide disclosures in their financial statements that enable users to evaluate (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the balance sheet date, and how the entity manages those risks. The principles in this section complement the principles for recognizing, measuring and presenting financial assets and financial liabilities in Section 3855, *Financial Instruments – Recognition and Measurement,* Section 3863, *Financial Instruments – Presentation,* and Section 3865, *Hedges.* This section applies to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

The AcSB issued CICA Handbook Section 3863, *Financial Instruments – Presentation,* which is to enhance financial statement users' understanding of the significance of financial instruments to an entity's financial position, performance and cash flows. This section establishes standards for presentation of financial instruments and non-financial derivatives. It deals with the classification of financial instruments, from the perspective of the issuer, between liabilities and equity, the classification of related interest, dividends, losses and gains, and the circumstances in which financial assets and financial liabilities are offset. This section applies to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

Capital Disclosures

The AcSB issued CICA Handbook Section 1535, which establishes standards for disclosing information about an entity's capital and how it is managed. This section applies to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

The Company is currently assessing the impact of the above new accounting standards on the Company's financial positions and results of operations.

3. MINERAL PROPERTY INVESTMENTS

March 31, 2008	Otish Mountain Property	Beresford Lake Property	Total
Acquisition costs	$ -	$ -	$ -
Deferred exploration expenditures			
Consulting – geological	3,810	-	3,810
Maps, photos, reproductions, and reports	300	-	300
Miscellaneous	1,582	-	1,582
	5,692	-	5,692
Net costs for the period	5,692	-	5,692
Balance, beginning of the period	1,023,419	754,042	1,777,461
Balance, end of the period	$ 1,029,111	$ 754,042	$ 1,783,153

December 31, 2007	Otish Mountain Property	Beresford Lake Property	Total
Acquisition costs			
Cash payments	$ 75,000	$ -	$ 75,000
Common share issuances	733,000	-	733,000
	808,000	-	808,000
Deferred exploration expenditures			
Consulting – geological	67,296	-	67,296
Contracted labour	38,818	-	38,818
Maps, photos, reproductions, and reports	2,955	-	2,955
Project administration	5,049	-	5,049
Survey - airborne	98,874	-	98,874
Travel and accommodation	2,427	-	2,427
	215,419	-	215,419
Net costs for the year	1,023,419	-	1,023,419
Balance, beginning of the year	-	754,042	754,042
Balance, end of the year	$ 1,023,419	$ 754,042	$ 1,777,461

3. MINERAL PROPERTY INVESTMENT (cont'd…)

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to its mineral properties and, to the best of its knowledge, title to all of its properties are in good standing.

Otish Mountain Property, Quebec

During the year ended December 31, 2007, the Company entered into an assignment agreement with Tasso Baras and Kevin Torudag (the "Assignors"), whereby the assignors assign all of their rights, title and interest in and to the Letter Agreement dated March 12, 2007 with Ms. Lai Lai Chan (the "Owner") for an option to acquire 85 contiguous mineral claims (the "Property") in the Otish Mountain area of Quebec. The Company issued the Assignors 500,000 common shares, valued at $400,000, as consideration for the Assignment.

The Company entered into a formal option agreement dated March 30, 2007 with Ms. Lai Lai Chan as provided for by the terms of the Letter Agreement. Pursuant to the terms of the Option Agreement, the Company has the right to earn a 100% interest in the Property by making $250,000 cash payments, issuing 1,000,000 common shares, and completing $1 million of expenditures on the property over 3 years as follows:

- Pay $75,000, issue 300,000 shares on March 30, 2007; (paid and issued; shares valued at $273,000)
- Pay $75,000 (subsequently paid), issue 350,000 shares (subsequently issued with a value of $140,000), and incur exploration expenditures of $300,000 by March 30, 2008 (subsequently extended to October 30, 2008);
- Pay $100,000, issue 350,000 shares, and incur $350,000 by March 30, 2009;
- Incur exploration expenditure of $350,000 by March 30, 2010.

The Property is subject to a 2% Net Smelter Royalty ("NSR") with the Company having the right to purchase half of the 2% NSR (i.e. 1%) for $1,000,000.

Also during the year ended December 31, 2007, the Company entered into an option agreement dated April 10, 2007 with Eloro Resources Ltd. pursuant to which the Company has an option to earn up to a 55% interest in 7 mineral claims located in the Lac Henri prospect of the Otish Mountain area of Quebec. In order to earn an initial 50% interest, the Company is required to issue 300,000 common shares and complete $1 million of expenditure on the property over a 3-year period. The terms are as follows:

- Issue 50,000 shares upon signing (April 23, 2007); (issued, shares valued at $60,000)
- Issue 100,000 shares (subsequently issued with a value of $55,000), and incur $150,000 of expenditures by 1st year anniversary (subsequently extended to September 10, 2008);
- Issue 150,000 shares, and incur $300,000 of expenditures by 2nd year anniversary;
- Incur $550,000 of expenditures by 3rd year anniversary.

Upon exercising the initial option, the Company has eighteen months in which to acquire a further 5% interest in the property by paying a further $500,000 in cash.

The Property is subject to a 2% NSR with the Company having the right to purchase half of the 2% NSR (i.e. 1%) for $1,000,000.

3. MINERAL PROPERTY INVESTMENT (cont'd…)

Beresford Lake Property, Manitoba

The Company acquired a 100% interest in the Beresford Lake Property (the "Property") near Bisset, Manitoba pursuant to an option agreement (the "Option") with Stephen Stares, Michael Stares, and Wayne Reid (collectively the "Optionors"). To acquire its 100% interest, the Company paid the Optionors $82,001 and issued 300,001 common shares of the Company with a value of $60,750. The Option also included a work commitment which the Company has met. The Property is subject to a 2% NSR with the Company having the right to purchase 1% of the NSR for $1,000,000 with a first right of refusal to the remaining 1%. The Option contains a provision for the acquisition of additional claim units in an area of interest surrounding the Property.

The Option also contains a provision for the Company to acquire the rights to the Mirage Claim, located in close proximity to the Property. During fiscal 2004, the Company paid $4,000 and issued an additional 65,000 common shares valued at $22,000 to complete the acquisition of the option on the Mirage Claim.

Also during fiscal 2004, the Company entered into a letter of intent with San Gold Resources Corporation ("San Gold") for an option (the "MB4942 Option") to acquire a 100% interest in one mineral claim (MB4942) in Manitoba. The Company is required to pay $210,000 cash ($10,000 paid), issue 600,000 common shares (50,000 shares issued with a value of $16,000), and spend a total of $475,000 on exploration on the Claim in stages over four years. The Company decided not to proceed with the MB4942 Option and the total related costs of $26,000 were written off to operations in 2006.

During fiscal 2004, the Company paid $9,016 to acquire six additional adjacent mineral claims to form part of the Property.

4. EQUIPMENT

	March 31, 2008			December 31, 2007		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Equipment and machinery	$ 9,180	$ 1,331	$ 7,849	$ 9,180	$ 918	$ 8,262
Office furniture and equipment	2,332	2,039	293	2,332	2,023	309
Computer equipment	7,743	7,074	669	7,743	7,020	723
	$ 19,255	$ 10,444	$ 8,811	$ 19,255	$ 9,961	$ 9,294

5. SHARE CAPITAL AND CONTRIBUTED SURPLUS

	Number of Shares		Capital Stock		Contributed Surplus
Authorized					
Unlimited number of common shares without par value					
Issued :					
Balance, December 31, 2006	9,828,549	$	10,785,886	$	153,078
Private placements	5,383,887		3,345,248		-
Flow-through private placement	1,000,000		150,000		-
Mineral property acquisition	850,000		733,000		-
Shares-for-debt settlement	542,246		81,337		-
Finder’s fees in shares	135,342		121,808		-
Exercise of options	482,000		133,735		(55,435)
Exercise of warrants	1,647,000		369,100		-
Share issuance costs	-		(304,520)		-
Stock-based compensation	-		-		313,809
Balance, December 31, 2007	19,869,024		15,415,594		411,452
Stock-based compensation	-		-		68,427
Balance, March 31, 2008	19,869,024	$	15,415,594	$	479,879

Share issuances

During the year ended December 31, 2007, the Company:

a) Completed a non-brokered private placement of 2,000,333 units ("units") at $0.15 per unit for gross proceeds of $300,050 and 1,000,000 flow through units ("FT units") at $0.15 per unit for gross proceeds of $150,000. Each unit comprises one common share and one share purchase warrant entitling the holder to acquire one additional common share of the Company at the exercise price of $0.30 until April 19, 2009. Each FT unit comprises one flow through common share ("FT shares") and one flow through share purchase warrant entitling the holder to acquire one additional FT share of the Company at the exercise price of $0.30 until April 19, 2009.

b) Completed a non-brokered private placement of 3,383,554 units at $0.90 per unit for gross proceeds of $3,045,198. Each unit comprises one common share and one-half share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share of the Company at an exercise price of $1.25 until November 18, 2008. The warrants are subject to the exercise term being accelerated to 30 days after the Company gives notice of such acceleration if the closing price of the Company's shares is $2.00 or greater for 10 consecutive trading days. The Company paid finder's fees of $182,712 in cash and 135,342 in units, where each unit has the same terms as the financing.

5. SHARE CAPITAL AND CONTRIBUTED SURPLUS (cont'd…)

c) Issued 542,246 common shares at $0.15 per shares to settle $81,337 of accounts payable. Of the $81,337 debt settlement, $70,087 was repaid to a former director and a company controlled by a director.

d) Issued 482,000 common shares from exercise of options at various prices ranging from $0.15 to $0.21 per share for proceeds of $78,300. Accordingly, $55,435 was transferred from contributed surplus to capital stock.

e) Issued 1,647,000 common shares from exercise of warrants at various prices ranging from $0.20 to $0.30 per share for proceeds of $369,100. Of the shares issued, 997,500 (with a value of $205,500) were flow-through common shares.

f) Issued 850,000 common shares pursuant to mineral property agreements on the Otish Mountain Property with a total value of $733,000.

Stock options

The Company has a stock option plan (the "Stock Option Plan") under which it can grant up to a maximum of 3,738,408 options or 20% of the issued and outstanding shares of the Company at the date of grant, whichever is less. The exercise price of each option shall not be less than the market price of the Company's stock at the date of grants and the options can be granted for a maximum term of 5 years. The vesting period is determined by the board of directors and must be in compliance with the policy of the TSX-V Exchange.

Stock option transactions are summarized as follows:

	Number of Options		Weighted Average Exercise Price
Balance, December 31, 2006	1,615,000	$	0.19
Granted	1,263,000		0.72
Exercised	(482,000)		0.16
Cancelled/expired	(116,000)		0.28
Balance, March 31, 2008 and December 31, 2007	2,280,000	$	0.48
Exercisable at March 31, 2008	1,711,250	$	0.39
Weighted average fair value of options granted during 2007			$0.44

5. SHARE CAPITAL AND CONTRIBUTED SURPLUS (cont'd…)

Stock options (cont'd…)

At March 31, 2008, the following stock options were outstanding:

Number of Options	Exercise price	Expiry Date
295,000	$ 0.21	September 12, 2008
195,000	0.31	July 14, 2009
440,000	0.15	February 3, 2011
100,000	0.15	September 25, 2011
100,000	0.41	March 3, 2012
200,000	0.90	April 19, 2012
50,000	0.96	April 24, 2012
900,000	0.70	August 7, 2012

Stock-based compensation

For stock options granted to employees, officers, directors and consultants, the Company recognizes as an expense the estimated fair value of the stock options granted. The fair value of each stock option granted is estimated on the date of grant using the Black-Scholes option-pricing model.

For the period ended March 31, 2008 an expense of $68,427 (2007 - $14,122) was recorded in the financial statements of the Company as stock-based compensation and the offset was credited to contributed surplus. The fair value of stock options granted was determined using the following weighted average assumptions:

	2008	2007
Risk-free interest rate	-	4.43%
Expected life of options	-	3 years
Annualized volatility	-	106.39%
Dividend rate	-	Nil

5. SHARE CAPITAL AND CONTRIBUTED SURPLUS (cont'd…)

Warrants

Warrant transactions are summarized as follows:

	Number of Warrants		Weighted Average Exercise Price
Balance, December 31, 2006	1,250,000	$	0.20
Issued	4,759,781		0.68
Exercised	(1,647,000)		0.22
Balance, March 31, 2008 and December 31, 2007	4,362,781	$	0.71
Exercisable at March 31, 2008	4,362,781	$	0.71

At March 31, 2008, the following warrants were outstanding:

Number of Warrants	Exercise price	Expiry Date
1,759,448	$ 1.25	November 18, 2008
2,603,333	0.30	April 13, 2009

6. RELATED PARTY TRANSACTIONS

The Company paid or accrued amounts to related parties during the periods ended March 31, 2008 and 2007 as follows:

		2008		2007
Accounting fees to a company controlled by a director	$	15,000	$	-
Legal fees expenses to a law firm controlled by a director of the Company		-		1,000
Management fees to a company controlled by a director		15,000		15,000

6. RELATED PARTY TRANSACTIONS (cont'd…)

The amounts charged to the Company for the services provided have been determined by negotiation among the parties and, in certain cases, are covered by signed agreements. These transactions were in the normal course of operations and were measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

During the year ended December 31, 2007, the Company issued 467,246 common shares to settle accounts payable of $70,087 owed to a former director and a company controlled by a director.

Included in accounts payable and accrued liabilities at March 31, 2008 is $88,123 (December 31, 2007 - $92,126) owing to related parties for services rendered to the Company.

7. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, receivables and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency, or credit risk arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

8. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

	2008	2007
Cash paid for interest expense during the year	$ -	$ -
Cash paid for income taxes during the year	$ -	$ -

There were no significant non-cash transactions during the period ended March 31, 2008.

The significant non-cash transactions during the period ended March 31, 2007 included:

a) the issuance of 500,000 common shares with a total value of $105,000 towards the acquisition of the Otish Mountain Property;

b) the issuance of 542,246 common shares to settle accounts payable of $81,337; and

c) included in mineral property costs at March 31, 2007 is $16,590 incurred through accounts payable and accrued liabilities.